

Sen. BAUCUS. Any questions?

VOICE. [Inaudible words.]

NIGEL HOLLOWAY. Yeah. Let me just give you three principles of what's happening in China right now. You have three things. You have what we call persistent feudalism, which is Confucianism—no, chaos collectively. This feudalism is part of the Chinese structure. This mixes in with decaying socialism. And this is socialism's ingrown privilege, a party privilege. Third, you have rapid capitalism. You have corruption, nepotism and growth. They all jam together in today's China.

If you have this growth and if you have feudalism, and if you have this decaying socialism, what results is great disparities of wealth between provinces, et cetera. And the millions of people begin to move towards the productive areas. It's very hard to control because these people live in camps. They have three and four children. They pay no attention to birth control or the national policy. It drives the Chinese wild—who, of course, have some rather draconian methods to keep things down. Basically, I think they have been very successful in keeping control of the population—but it's not very pretty to look at. They think it's crucial to the control of the situation.

What they are trying to do now in a very, very concerted effort is beginning to move investment capitalism into the hinterlands, but they've got to make it competitively attractive, and that's hard to do. They recognize the problem; they recognize it's very serious. It's right at the heart of how you reform state-owned enterprises. Because the conservatives are saying, keep the money flowing. Others say let them go bankrupt and take care of this thing through other means. And it ends up as gridlock in many cases. But, at least, I think they are acutely aware of the problem and are trying to deal with it.

Sen. BAUCUS. You have time for one more question.

QUESTION. [Inaudible words.]

DREW LIU. We touch on the topic of the trade imbalance as China opens up its market. And I would like to say something more about the fundamental problem, the system problem, the structural problem. One of the things is transparency of the legal system. And if you don't have transparency—when the local government, you know, the sector cannot break their own laws—this instantly creates barriers. For instance, on the WTO: The center wants to enter the WTO. The local, some of the local wants to enter the center also, but not without some incentive. But there's some problem in it. That is how to guarantee the Chinese abide by these laws and the standards. And, there are loopholes, you know, that are unpredictable. Our future in China comes without a well established legal system, without transparency and due process.

And the second thing is the political system. For instance, entering the WTO, whether China can do it or not politically, is a question. If, in entering the WTO, the center enforces the regulations—you know, opening its market—then maybe thirty percent of the state-owned workers will be unemployed. A great political problem and a great risk to the Chinese leadership. But are you going to take the risk or not take the risk? And what if the risk becomes threatening and then it [the new policy] reverses in some way. Much uncertainty links to the internal process of the Chinese system.

JIM LILLEY. Okay. I just want to make one comment on agriculture. A terrible problem for China is that agricultural land is shrinking; the harvest is not good. They are going to import more and more grain. It's going to be a big problem and so I would say your ag-

riculture-export possibilities are considerable. Some estimates have China importing as much as 100 million tons of grain by the next century; they have made some bad converting mistakes in terms of agricultural land, industrial land. The solution, people say, is what they call village- and township-enterprises: Basically capitalistic, they are put into the countryside, are use surplus agriculture labor to create small consumer items. But they've gone about increasing agriculture production by importing chemical fertilizers, by developing their own plants. It's really very, very difficult for them. And I see a big market for agricultural products.

Sen. BAUCUS. Okay. We have no more time! Let's give a great round of applause to our panelists: Drew Liu, Nigel Holloway and Jim Lilley. Bob mentioned a packet of information which I think will be very interesting for everyone. I encourage you to go pick up a copy as you leave. I want to thank CELI very much for hosting this event—I want another soon. Thank you.●

#### DECISION TO EXTEND NPT INDEFINITELY

● Mr. PELL. Mr. President, international efforts to curb the spread of nuclear weapons were given a tremendous boost today with the decision by more than 170 nations to extend indefinitely the Nuclear Non-Proliferation Treaty. The U.S. Arms Control Agency and Ambassadors Ralph Earle II and Thomas Graham, Jr., deserve our deep appreciation.

The decision by the participants in the NPT extension conference demonstrates their willingness to trust us and the other nuclear powers to continue with the effort in SALT and START to reduce our strategic nuclear arsenals, to strive eagerly and effectively to bring about an end to nuclear testing, and to be unflagging in efforts to spare the world from nuclear war and the threat of nuclear war. We have today incurred a renewed obligation to prove to those who trust us that their trust is not misplaced.●

#### TRIBUTE TO INTERNATIONAL HERITAGE HALL OF FAME INDUCTEES

● Mr. LEVIN. Mr. President, I would like to recognize the accomplishments of four distinguished community leaders from the Detroit area. These four individuals will be inducted tonight, Thursday, May 11, 1995, into the International Heritage Hall of Fame housed at Cobo Center. The inductees have been selected for outstanding service to their respective ethnic groups and the community at large.

The International Institute of Metropolitan Detroit has been working since 1919 to assist immigrants who have arrived in the Detroit metropolitan area. The inductions of the four 1995 honorees will bring the membership in the Hall of Fame, which began in 1984, to 56. The inductees are U.S. Circuit Court Judge Damon J. Keith, the late Daniel F. Stella, Dr. Helen T. Suchara, and Mrs. Barbara C. VanDusen.

U.S. Circuit Judge Damon Keith is a former president of the Detroit Hous-

ing Commission and former chairman of the Michigan Civil Rights Commission. An African-American, Keith has served as a Federal judge since 1967 and was chief judge of the U.S. District Court for Eastern Michigan from 1975 to 1977. He is a graduate of West Virginia State College, the Howard University Law School, and Wayne State University School of Law. He also holds honorary doctorates from those 3 institutions and 24 other colleges and universities. He has held numerous civic positions including national chairman of the Judicial Conference Committee on the Bicentennial of the U.S. Constitution, chairman of the Citizens Council for Michigan Public Universities, and general cochair of the United Negro College Fund.

Daniel Stella was president for 10 years of Friends of the International Institute. An Italian-American who died last July, Stella was instrumental in the establishment of the Hall of Fame and an active promoter of relations between Detroit and its sister city, Toyota, Japan. Mr. Stella was also a partner in the Detroit law firm of Dykema Gossett. He was a graduate of the Harvard Law School, the College of Holy Cross, and the London School of Economics and Political Science, and a member of the Michigan and California bars, among others. He was a director of the Detroit and Windsor Japan-American Society and a member of the Association for Asian Studies, American Citizens for Justice, the Michigan Oriental Arts Society, and the Founders Society and Friends of Asian Art of the Detroit Institute of Arts. Mr. Stella also served in Vietnam with the U.S. Navy Judge Advocate General's Corps.

Helen Suchara, a retired educator, last served as director of the Office of Student Teaching at Wayne State University. A Polish-American, she was a Peace Corps volunteer in Poland from 1990 to 1992 and has begun a new career in public service since her retirement. She holds positions on the Madonna College Social Work Advisory Board and the board of regents of Saginaw Valley State University. She received bachelor's and master's degrees from Wayne State University and a doctorate from Columbia University. She taught at WSU, Columbia, the University of Delaware, the University of Virginia, and Wheelock College in Boston, and earlier in public schools in Detroit and Howell, MI. She has worked on the boards of the International Institute and Friends of the International Institute. She has also worked in affiliation with the Polish-American Congress of Michigan Scholarship Committee, the Catholic Social Services of Wayne County, the Michigan Elementary School Curriculum Committee, and the Dominican Sisters of Oxford Formation Committee.

Barbara VanDusen is a member of the executive committee of Detroit

Symphony Orchestra Hall and cochair of the Greater Detroit Inter-faith Roundtable of the National Conference of Christians and Jews. An English-American who also has Cornish, Irish, Dutch, and Scottish heritage, she is the widow of Richard VanDusen, former chairman of the Greater Detroit Chamber of Commerce. Holder of a 1949 bachelor's degree from Smith College, she has also been involved in numerous community organizations as a trustee of the Community Foundation for Southeastern Michigan and as a member of the governing boards of the Michigan Nature Conservancy and the World Wildlife Fund.

I know my Senate colleagues and the people of Michigan join me in congratulating these distinguished members of the metropolitan Detroit community. Their commitment to their communities and to public service is an example to us all. We thank them for their extraordinary efforts.●

#### TRIBUTE TO THE VOLUNTEERS OF HOSPICE CARE, INC.

● Mr. LIEBERMAN. Mr. President, I rise today to acknowledge the volunteers of Hospice Care and their long-time commitment to care for people with life-threatening illnesses. Founded in 1981, Hospice Care, Inc., of Connecticut has been providing patients and their families with medical care and other support services that are crucial during difficult times. For over a decade these highly trained volunteers, along with the organization's professionals, have provided more than 2,000 patients and their loved ones with home care, inpatient care, and assistance whenever needed. Volunteers are also involved in administrative work, public awareness, fundraising, and act on the board of directors.

Many of the volunteers have been dedicated to the organization since its founding and will continue to give their time and energy to help their fellow residents of Connecticut. With their hard work and dedication they have provided important medical and moral support to those who are ill or suffer from the loss of a loved one. Through their selfless behavior the volunteers of Hospice Care Inc. have positively influenced the lives of many members of their communities.

I am proud to acknowledge the success and commitment of Hospice Care's volunteers. They have shown what can be achieved with private initiative and have thereby contributed to the welfare of Connecticut.●

#### COMMENDING REBECCA S. FINLEY

● Ms. MIKULSKI. Mr. President, I am delighted today to bring to the attention of my colleagues the installation next month of Rebecca S. Finley, Pharm.D., M.S., as the president of the American Society of Health-System Pharmacists at the society's 52d annual meeting in Philadelphia.

ASHP is the 30,000-member national professional association that represents pharmacists who practice in hospitals, health maintenance organizations, long-term facilities, home care agencies, and other components of health care systems.

Early in her career, Dr. Finley made the professional commitment to practice, research, write, and teach pharmacy in the challenging field of clinical oncology. She currently directs the section of pharmacy services and is associate professor of oncology at the University of Maryland Cancer Center in Baltimore. She holds an appointment as associate professor in the department of clinical pharmacy at the university's school of pharmacy.

Dr. Finley received her bachelor of science and doctor of pharmacy degrees from the University of Cincinnati and a master of science in institutional pharmacy from the University of Maryland.

On behalf of my colleagues, Mr. President, I want to extend my best wishes to Dr. Finley in her tenure as president of ASHP. I look forward to working with her and the society on health care issues in the years to come.●

#### NOMINATION OF JOHN M. DEUTCH, OF MASSACHUSETTS, TO BE DIRECTOR OF CENTRAL INTELLIGENCE

● Mr. MOYNIHAN. Mr. President, I thank my gallant friend from Nebraska. I rise in support of the position he has taken and also that of the distinguished chairman of the committee, the Senator from Pennsylvania.

In the 103d Congress and then the 104th, I offered legislation that would basically break up the existing Central Intelligence Agency and return its component parts to the Department of Defense and the Department of State. This in the manner that the Office of Strategic Services was divided and parceled out at the end of World War II.

I had hoped to encourage a debate on the role of intelligence and of secrecy in American society. That debate has taken place. Some of the results, I think, can be seen in the nomination of a distinguished scientist and public servant, John Deutch, to this position.

This could not have been more clear in his testimony. He made a point, self-evident we would suppose, but not frequently to be encountered in a pronouncement of a potential DCI. He said:

Espionage does not rest comfortably in a democracy. Secrecy, which is essential to protect sources and methods, is not welcome in an open society. If our democracy is to support intelligence activities, the people must be confident that our law and rules will be respected.

It may have come as a surprise—although it ought not to have—in recent months and weeks, to find how many persons there are in this country who do not have confidence that our laws and rules will be respected; who see the

Government in conspiratorial modes, directed against the people in ways that could be of huge consequence to Americans.

Richard Hofstadter referred to this disposition when he spoke of "The Paranoid Style in American Politics." Thus, for example, the widespread belief that the CIA was somehow involved in the assassination of President Kennedy.

It is important to understand how deep this disposition is in our society. In 1956, even before Hofstadter spoke of it, Edward A. Shils of the University of Chicago—a great, great, social scientist, who has just passed away—published his book, "The Torment of Secrecy," in which he wrote:

The exfoliation and intertwining of the various patterns of belief that the world is dominated by unseen circles of conspirators, operating behind our backs, is one of the characteristic features of modern society.

Such a belief was very much a feature of the Bolshevik regime that took shape in Russia in 1917 and 1918. Hence the decision to help found and fund in the United States a Communist Party, part of which would be clandestine. The recent discovery in the archives in Moscow that John Reed received a payment of 1,008,000 rubles in 1920. As soft money, that would be a very considerable sum today.

It is said that organizations in conflict become like one other. There is a degree to which we have emulated the Soviet model in our own intelligence services. A very powerful essay on this matter has just been written by Jefferson Morley in the Washington Post under the headline "Understanding Oklahoma" in an article entitled "Department of Secrecy: The Invisible Bureaucracy That Unites Alienated America in Suspicion."

I would refer also to Douglas Turner this weekend in the Buffalo News. I spoke of these concerns in an earlier statement on the Senate floor entitled "The Paranoid Style in American Politics," which I ask unanimous consent be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MOYNIHAN. Mr. President, what we have today is so much at variance with what was thought we would get. Allen Dulles was very much part of the foundation of postwar intelligence, having been in the OSS, serving with great distinction in Switzerland during World War II. Peter Grose, in his new biography, "Gentleman Spy: The Life of Allen Dulles," recounts the testimony Dulles gave before the Senate Armed Services Committee on April 25, 1947, as we were about to enact the National Security Act of 1947 which created a small coordinating body, the Central Intelligence Agency.

Personnel for a central intelligence agency, he argued, "need not be very numerous \* \* \*. The operation of the service must be neither flamboyant nor overshadowed with